

TOP SECRET

48178

S/C
A/B

COPY NO. 39

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

DAILY DIGEST

MAY 8 1954

Date: _____

- NOTE:
1. This summary of significant reports has been prepared primarily for the internal use of the Office of Current Intelligence. It does not represent a complete coverage of all current reports in CIA or in the Office of Current Intelligence.
 2. Comments represent the preliminary views of the Office of Current Intelligence.
 3. Marginal letter indications are defined as follows:
 - "A" - items indicating Soviet-Communist intentions or capabilities
 - "B" - important regional developments not necessarily related to Soviet/Communist intentions or capabilities
 - "C" - other information indicating trends and potential developments

TOP SECRET

State Dept. review completed

TOP SECRET

SECTION 1 (SOVIET)

"B" USSR. Soviets View MacArthur Dismissal as a "Coverup for Full-Scale American War in the Far East." On 23 April 1951, Yuri Zhukov, TASS representative in Paris, asked [redacted] why a "discredited" military man like MacArthur received such an ovation in the US, adding that such a development would be impossible in the USSR. Stating that there was a "belief among some diplomats" that MacArthur's dismissal was "only a coverup for full-scale American war in the Far East," Zhukov wondered if the entire affair were not a clever propaganda move to make the world believe the US is attempting in good faith to limit the Korean war while actually planning to attack China. Although the source pointed out the official US differences regarding the dismissal, Zhukov continued to express frank skepticism, stating that he could not believe MacArthur's return could achieve such notoriety without White House approval and that he was certain that some sinister motive connected with the Korean War lay behind the MacArthur show. (DS-ED 945 Bern, 4 May 51). (US OFFICIALS ONLY). COMMENT: This very likely represents a fairly accurate Soviet estimate of the MacArthur episode. Likewise the Soviet press, in commenting on the dismissal, continues to maintain that MacArthur was a scapegoat, and called his dismissal a cover for further US aggressiveness in the Far East.

25X10

"A" TASS Representative Views Stalin-Truman Meeting More Profitable than Deputy Foreign Ministers' Conference. Yuri Zhukov, TASS representative in Paris, emphasized the Western Powers' lack of good faith at the deputies' meeting and stated that Gromyko had revealed Soviet intentions "to compromise as far as humanly possible" in a persistent desire for peace. When questioned about his previous suggestions for a Stalin-Truman meeting, Zhukov replied that a meeting between the two was possibly the only way out of the drawn-out Paris discussions. Zhukov believes that Stalin would not be able to go very far from the USSR for such a bilateral meeting. [redacted] A recent Zhukov Paris despatch stated in effect that the West is playing for time to advance Western military preparations while lulling public opinion with negotiations. Embassy Moscow comments that recent Zhukov references have reflected the Soviet delegation's disappointment in the lack of a major Western concession or split. (S Moscow Weeka MA 1077, 27 Apr 51). COMMENT: On 2 March 51, Zhukov emphasized that only a Stalin-Truman meeting could reach a real solution in the absence of "aggravating influences of other partners." Zhukov was also interested in whether the conversion of American factories to war production was the real thing or propaganda, and, if real, how fast it was progressing. On 2 May 51 Jacob Malik, Soviet UN delegate, offered his opinion that the Korean dispute, as well as other outstanding matters, could and should be settled by discussion between the US and Soviet Governments.

25

TOP SECRET

- "C" EASTERN EUROPE. BULGARIA. Yugoslav Border Provocations Protested. The Bulgarian Government on 4 May officially charged Yugoslavia with new border provocations. In one note Bulgaria charged that Yugoslav border guards on 1 May fired on Bulgarian guards and penetrated Bulgarian territory. In another note the Bulgarians claimed a Yugoslav plane on 25 April violated Bulgarian air space "evidently for reconnaissance purposes." In each note the Bulgarians demanded that the Yugoslav Government take the necessary measures to eliminate these "systematic provocations". (RFBIS ticker, 4 May 51). COMMENT: While the Yugoslavs have recently charged Bulgaria, Hungary, and Rumania of numerous border incidents, this is the first time in a month that any of Yugoslavia's Cominform neighbors have charged the Tito government with committing a border incident. The Satellites have recently ousted Yugoslav diplomats and initiated numerous notes accusing Yugoslavia of maltreating their diplomatic personnel & engaging in espionage activities.
- "B" CZECHOSLOVAKIA. Agreement Requested for New Ambassador to US. The US Embassy in Praha has been informed by the State Department that an agreement has been requested by the Czechoslovak Embassy in Washington for Dr. Vladimir Prochazka to be the new Ambassador to the United States. (S To Praha 570, 4 May 51). COMMENT: Dr. Prochazka is Vice President of the Czechoslovak National Assembly and Professor of International Law at Charles University. Before the Communist coup in 1948, he was a member of the National Socialist Party, the Party of former President Benes and active emigres, Zenkl and Ripka. He has been active in the World Federation of United Nations Associations, and has been the Chairman of the Foreign Affairs Committee of the Czechoslovak National Assembly. Prochazka will replace Vladimir Outrata, who was recalled and relieved of his assignment last February during a shake-up of Czechoslovak diplomatic posts.
- "C" USSR to Participate in Praha Fair After All. Radio Praha announced on 3 May that 15 railway cars containing heavy machinery, large tractors, and machine parts, had arrived from the USSR to become part of the Soviet display at the Praha Fair. (R FBIB, 4 May 51). COMMENT: This statement contradicts previous Czechoslovak press reports (see OCI Daily Digest for 3 May 51) that the USSR would not participate in the Fair.

TOP SECRET

TOP SECRET

SECTION 2 (EASTERN)

^{99B} SYRIA-ISRAEL. Need for Increased UN Authority in the Palestine Area. According to US Minister Cannon in Damascus, Col. De Ridder, Acting Chief of Staff of the UN Truce Supervision Organization (TSO), has expressed his belief that the solution to the Syrian-Israeli border fighting lies in a clear definition and reinforcement by the Security Council of (1) the authority of the Mixed Armistice Commission (MAC), and (2) the number of UN observers, possibly by adding as many as 40 observers. (See OTC Daily Digest, 4 May 51). While Col. De Ridder has indicated his concern over the potentialities of the Israeli-Syrian frontier troubles, he and his staff are apparently confident that some such strengthening of their position would enable them to bring the border situation under control. (S Damascus 581, 4 May 51). COMMENT: The failure of Col. De Ridder's cease-fire order to halt the shooting along the Israeli-Syrian border adds further emphasis to the need for strengthening the TSO and the various MAC's under it. The immediate danger lies in the possibility that in the absence of a recognized UN authority, one of the disputants may present the UN with a "fait accompli" by occupying land in the demilitarized area.

^{99B} INDIA. India Refuses to Re-sell War Surplus C-47 Aircraft to US. On 30 April, Sir Girja Shankar Bajpai of the Indian Ministry of External Affairs addressed a letter to the US Embassy New Delhi stating that it would be impossible for India to re-sell the sixty-one war surplus C-47 aircraft recently requested by the US for the use of its Air Force. The letter also said that only 39 of these aircraft remained and that they were urgently needed in India. Admitting defeat in its efforts to re-purchase the planes, the US Department of State has instructed Ambassador Henderson, at his discretion, to ask Sir Girja for assurance that none of the planes or parts will eventually reach Communist China. (S New Delhi 3046, 1 May 51; S State to New Delhi, 4 May 51). COMMENT: It is believed that India is the source or the transshipment point for tires, trucks, copper, and drugs which are finding their way into the Communist orbit.

^{99B} INDIA. Two New Parties to Contest the National Elections. The Hindu Mahasabha, a strongly nationalistic rightist organization previously concerned mainly with cultural affairs, is preparing to contest the Indian national elections this fall. It has issued a manifesto calling for the establishment of a Hindu state and for reunion of Pakistan with India. The Rashtriya Swayamsevak Sangh (RSS), a militant, nationalistic, Hindu cultural society, is also reported as about to enter the political field under the new name of Bharatiya Jana Sangh (Indian People's Party).

TOP SECRET

TOP SECRET

COMMENT: Entry of these two organizations into the election contest will expose the now-dominant Indian Congress Party to competition from the extreme right as well as from the left. The Socialists and Communists are already preparing actively for the campaign.

"B" PAKISTAN. Pakistan Desires UN SC Seat to be Vacated by India After 1951. In a conversation at the Department of State on 26 April, Sir Zafrullah Khan, Pakistani Foreign Minister, stated that his government wished to occupy the seat on the UN Security Council to be vacated by India at the end of 1951. He also said that New Zealand, another possible candidate, was not prepared to accept the seat, and that informal inquiries addressed to the British had indicated there would be no Commonwealth objection to Pakistan's doing so. Sir Zafrullah hoped the United States would be able to support Pakistan's candidacy. (S Dept State, Memo of Conversation, 26 Apr 51).

"B" PHILIPPINES. Possible Violence on Manila Waterfront. According to a [] an outbreak of violence on the Manila waterfront is possible on 7 May when the Associated Workers Union puts a rotation system into effect. Since jobs are available for only a portion of union membership, the practice has been to demand that workers pay for assignments. (Disgruntled labor bosses who formerly received these funds may resist the new system). A struggle between rival unions may also be a cause of violence. (S []).

25X1A

COMMENT: While no reports of 7 May violence on the waterfront have been received, outbreaks may occur later. Unemployment is a serious problem among waterfront laborers and the unions contain numbers of well-armed criminal elements. Although President Quirino and the Mayor of Manila have expressed confidence that local authorities can handle any violence, little attempt has been made to disarm waterfront workers. The Secretary of Labor, a strong supporter of a leading waterfront "company" union, which has long been guilty of vicious labor practices, may well use any violence that may occur as an excuse to place waterfront labor under Government control. Such action would not be likely to achieve an equitable settlement of waterfront labor difficulties.

"B" BURMA. May Day Events. Both pro-Government and pro-Communist labor groups held impressive May Day celebrations in Rangoon. Although more than twice as many persons attended the pro-Government rally, the proceedings were innocuous, whereas the pro-Communists vigorously attacked ECA as "poisoned candy" and passed resolutions calling for the formation of a "Peoples Democratic Front," condemning the acceptance of "imperialist" aid, denouncing US "aggression" in Korea, demanding a Big Five peace treaty and calling upon the US to cease "rearming" Japan. Both groups received greetings from the USSR. (S Rangoon 774, 5 May 51).

TOP SECRET

TOP SECRET

COMMENT: While these demonstrations indicate that the Government still enjoys a larger labor following than their Communist rivals, it is disturbing that the Government failed to exhibit a positive and aggressive program for its own anti-Communist labor policies.

"B" Pro-Communists Protest Order Expelling Vietnamese. The Burma Workers and Peasants Party (BWPP) has protested a Government order, issued in February, to expell Vietnamese refugees forced out of Thailand into Kengtung. The BWPP states that the Vietnamese should be permitted to remain in Burma on the grounds of Burmese sympathy for the Vietnamese independence movement. The US Embassy comments that the belated BWPP protest probably indicates the beginnings of Sino-Russian use of this aboveground Communist party to bring additional pressure on the Burmese government. (S Rangoon 774, 5 May 51).

"A" INDOCHINA. Imminent Action By Rebels Not Likely. French G-2 estimates that two to three weeks will elapse before Ho Chi Minh's "People's Army" can possibly initiate new operations. (S Saigon WEEKA No. 17, 2 May 51). **COMMENT:** None of the rebel offensives predicted during the past month has materialized. There has been no prediction that Ho's forces would attack during the latter part of this month. Unless Ho does attack within this time, the operations of his forces will be increasingly restricted by the summer monsoon which begins during this month.

"A" CHINA. USSR Reportedly Delivers "Heavy Bombers" to Chinese Communists. According to [] 12 four-motored bombers of Soviet manufacture, piloted by Russians, landed on 20 March at Ning An (in northeastern Manchuria) coming from the USSR. These bombers, according to the report, are the first delivered to China "under the Chinese-Russian Treaty." (S [])

25X1C

25X1A

25X1A []). **COMMENT:** According to another recent report 14 "long-range heavy Soviet bombers" arrived at Changchun on 24 March, coming from the USSR via Poli, also in northeastern Manchuria. A subsequent report referred to the arrival from Manchuria of 38 Soviet heavy bombers at Hsuehchow, in Central China, on 20-21 April. None of these reports has been confirmed. There is no recent information concerning the air facilities at Ning An, which in 1945 had a 4,000-foot runway, inadequate for heavy bombers.

"A" Increased Soviet Activities Reported in Tientsin. According to [] who left Tientsin December 1950, approximately 1000 Soviet troops were stationed at the Tientsin airfield. There was no air activity at this field and the source was of the opinion that these were ground troops. As of 30 March 1951, they were still there, according

TOP SECRET

TOP SECRET

25X1C

to information received from friends. [redacted] commenting on the March observations of a German friend, states that Tientsin itself is "swarming" with Soviet Russian advisers who give the appearance of "Russian corporations" to all the government offices and now constitute a force some ten times the size of that present in May 1950. (S [redacted])

25X1A

25X1A

[redacted] COMMENT: Several unconfirmed reports have indicated that a large group of Soviet troops, estimated at 4,000, arrived in North China during the latter part of 1950. According to these reports, the majority of these were observed passing through Tientsin and may now be in the Tsingtao area. Soviet personnel in Tientsin administrative circles has been established and reports of increasing numbers of such persons are considered true. This may reflect a tightening of overt Soviet control in conjunction with increasing Russian participation, at least logistical, in the maintenance of Communist forces in Korea.

"A"

Chinese Communist Concern Over Korean Venture. A French Foreign Office source reports that the Finnish Minister to Communist China (and concurrently to India) informed the French Ambassador in New Delhi that Chinese Communist officials in Peiping were "much concerned at the cost to them of the Korean adventure and that they were only pursuing hostilities under Soviet pressure." (S Paris 6738, 5 May 51). COMMENT: There have been many reports of Chinese concern over, and resentment of, the Peiping regime's burdens in Korea. The Chinese Communists would presumably prefer greater Soviet support in the Korean venture than they are now receiving, and continued heavy Chinese losses in Korea would presumably aggravate whatever Sino-Soviet friction now exists. However, the present extent of such friction is conjectural, as is the degree to which Soviet "pressure" is responsible for the Chinese commitment.

"C"

"Bandit Suppression" in Chekiang. Hangchow radio claims that Communist army and militia units in Chekiang have "annihilated 4,003 remaining bandits" in the province and its coastal waters thus far in 1951, after having "wiped out" 36,000 bandits during 1950. (R FBIS, 1 May 51). COMMENT: The Communist claim is consistent with the Nationalist estimate of 80,000 anti-Communist guerrillas in Chekiang in 1950 and the US Army G-2 estimate of 50,000 guerrillas still active in the province in March 1951. Both the Communist and Nationalist claims may be inflated; the G-2 figure is believed to be approximately correct.

"C"

Another Communist Bombardment of Hong Kong Shipping. Chinese Communist shore batteries on Ling Ting Island, seven miles south of Hong Kong, fired on the British tug CAROLINE MOLLER, without

TOP SECRET

TOP SECRET

damaging it, on 3 May. The tug was en route to Swatow. (AP Ticker, Hong Kong, 4 May 51). COMMENT: This is the third such incident to occur in 1951. The VICTORIA PEAK, also with British registration, was hit in the same area less than three weeks before. The Communists appear to be increasingly touchy about possible violations of sovereignty even though harassment of Hong Kong shipping hurts Chinese Communist interests.

"B" KOREA. Enemy Air Activity in North Korea. Two Air Force operational summaries of 3 and 4 May, reporting on clashes on the Sino-Korean border between UN and Communist aircraft, state that enemy pilots, "although unpredictable in aggressiveness and never venturing too far from the sanctuary of Manchuria...have shown increasing trends toward better and more aggressive tactics." It was also observed, however, that there was "a variance in the experience level of the different pilots." (S FEAF Tokyo AX 7080, 3 May; S FEAF Tokyo AX 7140, 4 May 51). COMMENT: Variance in the Communist pilots' ability may indicate that some of the enemy pilots are receiving a portion of their training under actual combat conditions. Furthermore, the appearance of experienced pilots may indicate the participation of Soviet personnel.

"B" Current Communist Inactivity May Be Partially Attributed to the Prematurity of the 22 April Offensive. The US Far Eastern Command speculates that UN advances prior to 22 April may have constituted such a threat to forward Communist supply bases as to force the enemy to initiate offensive action before he was fully prepared for the major "Fifth Phase Offensive." This factor, and the heavy casualties suffered by the enemy, may be responsible for the current lull in operations. (S DA CINCFE Telecon 4680, 5 May 51). COMMENT: The sighting of over 6,500 southbound vehicles during the nights of 29 April to 2 May and the current disengagement of major Communist forces, however, affirm that the current front-line situation is in a "lull" and are evidence of an all-out enemy effort to remedy their logistical difficulties before initiating the next phase of their offensive.

"B" Increase in Soviet Materiel Aid Seen in Enemy Antiaircraft Operations. Headquarters, US Far East Air Force, reports that increased Soviet materiel assistance to the Communists in Korea is indicated by reports, both of the arrival of antiaircraft guns and plans for radar stations. According to FEAF, it is significant that flak attack against UN air attacks has recently increased. Additionally, a US Navy message states that flak is recognized as the greatest current hazard to naval air operations. (S FEAF AX 7137, 4 May 51; R CTF 77 04246Z May 51). COMMENT: An increase in antiaircraft equipment provided for Communist forces in Korea would probably be one of the most effective and economical forms of aid that the USSR could render to the enemy. It may be recalled that a recent CINCFE analysis of enemy anti-

TOP SECRET

aircraft activities revealed a 400% increase in flak received over important lines of communications and ports of entry.

"C" ROK Makes New Cabinet Appointments. Ambassador Muccio reports that the South Korean Government has just announced the appointment to the Cabinet of the following officials: Minister of Defense, YI Ki-pung, presently Mayor of Seoul; Home Minister, YI Sun-yong, an adviser of the Communications Ministry; Justice Minister, CHO Chin-man, formerly judge of the Seoul Appellate Court; and Agriculture Minister, IM Mun-hwan, who is currently Vice Minister of Health. (U Pusan 933, 7 May 1951). COMMENT: The appointment of YI Ki-pung to the Defense Ministry indicates that the rumored rapprochement between President RHEE and former Defense Minister SHIN failed to materialize. YI Ki-pung, a former personal secretary of President RHEE, is reported to be a hard worker and to have done a competent job as Seoul's Mayor. He has apparently had no Defense Ministry experience.

"C" Conditions in Wonsan, North Korea. ROK Intelligence reports on the Wonsan area continue to stress Communist fears of a UN sea-borne invasion on that vital communications hub. One report alleges that the Kalma Peninsula (due east of Wonsan itself) is a restricted area with trenches and tunnels being built. Another report states that gun positions have been constructed in houses with removable roofs. A contagious disease, reportedly typhoid, is spreading in Wonsan with 30% of the city's total population sick; of those afflicted, three-quarters are Chinese Communist troops. (S FEAF AX 7137, 4 May; S COMNAVFE 040704Z, May 51). COMMENT: The continuing interdiction of the Wonsan communications complex by UN naval units has probably misled Communist forces into anticipating a sea-borne invasion. There is insufficient information upon which to base a comment on the incidence of typhoid in the area.

TOP SECRET

SECTION 3 (WESTERN)

"B" AUSTRIA. Election Shows Slight Decline in Support for Government.
The returns in Austria's presidential election on Sunday 6 May indicate a small decrease in popular support of the coalition Government, composed of the People's Party and Socialist Party. Rightist candidate Breitner, who had the backing of the League of the Independents, captured over 15% of the vote, whereas the League received only 12% in the last national elections in 1949. The independent gains were apparently made at the expense of the Catholic conservative People's Party, whose candidate, Heinrich Gleissner, drew only 40%, compared to his party's 44% in 1949. Socialist candidate Theodor Koerner upheld his party's previous pace of 39%. The consistent Communist strength of 5% was registered for Party candidate Fiala. As no candidate received a majority of the vote, a second ballot will be held between the two leading contestants, Gleissner and Koerner. (R FBID ticker, 7 May 51).
COMMENT: Although Breitner's following undoubtedly includes many ex-Nazis, Breitner himself did not campaign on anything resembling a Nazi or even a pan-German platform. A good percentage of his followers were probably independent voters unwilling to cast a ballot for either of the coalition parties.

25X6

TOP SECRET

TOP SECRET

"A" FRANCE. Communists Plan to Gain Full Control of Rail Labor. The Communist-led General Labor Confederation (CGT) has publicized a plan to obtain unity of action agreements among all local railway unions, which, according to a spokesman for the Socialist-oriented Force Ouvriere (FO), would lead to a national unification congress and a merger of the "top levels" of the three major unions. The local agreements are to have "annexes" providing for joint committees dominated by the CGT and stipulating that no strike would be terminated at the order of a national union without approval of a "general assembly" of the local unions, the method by which the Communists in 1934-35 successfully forced national unification of railway labor under their control. According to the Embassy, the unity of action movement has gained strength since the early 1951 strikes, and a recent French CP central committee meeting has ordered a vigorous campaign supporting this trend. (C Paris 6727, 4 May 51) COMMENT: Local railway union elections in early April gave the CGT two-thirds of the plant committee representatives named, and hence this report portends a dangerous Communist drive for complete control of a critical sector of the economy. The continuing inflation can be expected to aid the Communist plan, but no nation-wide rail strike is likely to be attempted by the CGT for some months pending fruition of its elaborate plan and the election of a new National Assembly.

"B" French Upset over Threat of Reduced US Aid. French Finance Minister Petsche has told [redacted] that the French cabinet is very disturbed over the inflexible position taken by ECA in setting a \$240 million limit on aid for the first six months of 1951. Petsche said that the French Government would consider the US to have failed to honor its October 1950 commitments if this ceiling forces a cut in French import plans. He feels that in view of the prospective elections this is a very inopportune time for such differences to come into the open. Furthermore, he is discouraged by the lack of progress in the NATO, and was particularly bitter in discussing the policies followed by the US and the UK in allocating international commodities and in stockpiling scarce materials. (S Paris TOECA 476, 4 May 51). COMMENT: Indications have been growing recently that conflicting interpretations of the military assistance agreement reached last October in Washington are causing serious friction in US-French relations. Should national elections be held in June, not only the Communists but also De Gaulle could be expected to exploit this situation with adverse implications for the US.

25X10

TOP SECRET

TOP SECRET

"A" ITALY. Communists on the Defensive in Italy. Although the Communists have indicated that the "Berlin Appeal" campaign (for a Big Five meeting and a "peace pact") will attain the effort they devoted to the Stockholm Appeal, this drive is not attracting much attention in general and is not even being played up by the Communist press in contrast to the campaign being waged in France. This is believed to be caused by a general lack of interest in the current negotiations in Paris and by the fact that apparently the Communists feel obliged to concentrate on local or national issues during the current electoral campaign. (C Rome 4955, 4 May 51). COMMENT: Communist spokesmen have mentioned the "peace pact" in general terms during the past few weeks. Because they are already campaigning on national issues and promoting strikes on purely economic grounds, the Communists are on the defensive in Italy. To cut their losses and to prevent any further deterioration of their position, they will have to restrict themselves largely to issues with indigenous appeal.

"B" ITALY/VATICAN. Vatican Attitude Regarding Italian Elections. Pope Pius has forbidden the Vatican lay organization, Catholic Action, to engage in political activities in the coming municipal elections. His instructions, however, do not forbid participation in politics by the "civic committees", which were organized largely for this purpose by Catholic Action and which played an effective part in the 1948 national elections. It is reported by [] that the Vatican, concerned over the coming elections, wishes to remove itself from any responsibility deriving from the actions of Premier De Gasperi's Christian Democratic Party (which the Vatican supported strongly during the 1948 elections). Vatican leaders have for some time been informed of "anti-Christian Democratic reaction" among the Italian masses and are anxious to: (1) save the Church by disassociation; and (2) establish a new conservative-political group to take over the Italian Government. [] (U NY Times, Rome, 6 May 51). COMMENT: US

25X1C

25X1

TOP SECRET

TOP SECRET

observers report a growing anti-clericalism among the population and a growing disenchantment with the Christian Democratic Party. They estimate that the Vatican, through the civic committees, may throw its support to the conservative Monarchists and even to the neo-Fascists in the coming elections. There may be internal conflict on the issue, however, in view of the fact that Gedda, forceful Catholic Action leader, seems for the present to support De Gasperi.

"C" SPAIN. Basque Workers still Seething with Unrest. US Consulate Bilbao reports that workers in the Basque provinces of Vizcaya and Guipuzcoa, embittered by the stern measures adopted by civil authorities in retaliation for recent strikes in the Bilbao and San Sebastian areas, are talking of staging new walkouts on 7 or 8 May. A Government decree on 27 April ordered all strikers to be discharged, and left subsequent rehiring to the discretion of employers, but strikers lost all seniority rights and longevity pay increases. Meanwhile, press dispatches report that a sitdown strike broke out on Friday in the Basque province of Alava, northwest Spain. This newest strike, which continued all day Saturday, is said to have involved at least a third of the workers in several local shipyards and factories. (C Bilbao 40, 1 May 51; U NY La Prensa, 7 May 51). COMMENT: There has been so far no confirmation of additional strikes in Vizcaya and Guipuzcoa. The Alava strike would indicate that Spanish workers have not slackened in their determination to protest, at least by passive resistance, against high living costs.

"C" COLOMBIA. President Postpones Congressional Elections. The Government on 2 May announced a decision to postpone the 3 June congressional elections. It directed the Electoral Court, through the National Registrar, to prepare a register of authorized voters for each municipality. The Government will set a date for the elections within thirty days after the Court advises that all registers are completed. (C Bogotá 771, 4 May 51). COMMENT: The postponement is an indication that the Administration is concerned about the preservation of some measure of political freedom in Colombia, because the necessary preparations for honest elections could not have been completed by 3 June. The delay is considered a victory for the President and the moderate Conservatives over the extreme right wing section of the Conservative Party which advocates "strong-arm" methods against the opposition Liberal Party. Since the Administration is unlikely to call into session the current Congress, which is controlled by the intransigent opposition party, the country will continue to be governed under a state of siege.

"C" CUBA. Chinese Communist Newspaper Closed. The US Vice Consul at Santiago de Cuba has reported to US Embassy Habana the closure of the Chinese Communist weekly newspaper Kuong Wah Po and the arrest

TOP SECRET

TOP SECRET

of thirteen Chinese Communists, a number of whom were employed by that newspaper. All of those arrested were members of the Alianza Nacional de Apoyo a la Democracia China (ANADC), which openly supports the Communist regime in China. (R Habana 2114, 18 Apr 51). COMMENT: The ANADC (300 militant members), with headquarters in Santiago and branches in Guantánamo and Habana, is the center of Chinese Communist activity in Cuba and attempts to affiliate Chinese who are Cuban citizens with the Communist Party (Partido Socialista Popular). Its propaganda organ, the Kuong Wah Po, was constantly filled with threats against all Chinese residents in Cuba if they failed to support Communist China, and predicted the Soviet triumph over "imperialist" regimes. Its closure is another indication of the Cuban Government's intention to step up sharply its anti-Communist measures.

TOP SECRET

